

**Carlsbad Tourism and Business Improvement District (CTBID)
Annual Report
2012-2013**

Method of Assessment: The CTBID includes all hotel businesses located within the CTBID boundaries. The assessment shall be levied on all hotel businesses, existing and future, within the City of Carlsbad based upon a flat fee of \$1.00 per occupied room per night for all transient occupancies as defined in section 3.12.020(7) of the Carlsbad Municipal Code. The amount of assessment shall be separately stated from the amount of the rent and other taxes charged, and each transient shall receive a receipt for payment from the operator. The assessment will be remitted monthly, based on \$1.00 per occupied room per night in revenues for the previous month.

Assessment Funding Purpose: To administer marketing and visitor programs to promote the City of Carlsbad as a tourism visitor destination and to fund projects, programs, and activities, including appropriate administrative charges, that benefit hotels within the boundaries of the District.

2012-13 Work Plan: Last fiscal year, the CTBID contracted with Carlsbad Convention and Visitors Bureau (dba VisitCarlsbad) to provide tourism marketing services for Carlsbad. In addition, \$19,000 in grants were awarded to fund projects and events to increase the overnight stays in Carlsbad hotels.

The CTBID 2012-13 budget includes \$800,000 in funding for VisitCarlsbad. The services provided will focus primarily on driving demand in the leisure market and secondarily in the meetings market. The majority of this will be done by on-line marketing but they will continue to do some print advertising. They will also contract with a public relations firm to work on branding Carlsbad. Funding also includes managing the visitor center and publications. The VisitCarlsbad Board will review the CTBID grant applicants and make the funding recommendations, for which there is \$50,000 allocated this year, to the CTBID Board.

Detail of the 2012-13 budget is shown on the following page.

2012-13 CTBID Budget

Program Areas	Description	2010-11 Actuals	2011-12 Budget	Current 2011-12 Actuals	Projected 2011-12 Actuals	Recommended 2012-13 Budget
Carryover Fund Balance		\$65,353	\$62,678	62,678	62,678	123,776
<u>Revenues:</u>						
CTBID Assessment	\$1 per room night	791,301	780,000	717,905	857,880	900,000
Interest Earnings		761	0	404	450	0
Prior Year refunds				-12,135	-12,135	
Total Estimated Revenues		792,062	780,000	706,174	858,330	900,000
<u>Expenditures:</u>						
2% Admin. Fee - City	2% of CTBID assessment revenue, for collection of CTBID assessment and accounting for CTBID	15,820	16,500	14,230	17,157	19,000
CCVB Payment	To operate visitor center, market and promote Carlsbad	743,434	744,582	682,528	744,576	800,000
Staff support	Staff support to the CTBID	15,663	16,500	12,978	16,499	16,500
CTBID Grants	Grant program established by CTBID Board	19,820	20,000	19,000	19,000	50,000
Contingency	To be determined by the CTBID Board at a later date	0	0	0	0	0
Total Expenses		794,737	797,582	728,736	797,232	885,500
Ending Fund Balance	Contingency for Revenue shortfall	\$62,678	\$45,096	\$40,116	123,776	138,276

* The Carlsbad Convention and Visitors Bureau is the corporate entity. The Bylaws have been changed during 2009 to an organization that now has seven Board members and the dba "Visit Carlsbad".